STATE OF SOUTH CAROLINA	)	BEFORE THE
	)	PUBLIC SERVICE COMMISSION
Progress Energy Carolinas, Inc.'s Motion for Partial Waiver	)	OF SOUTH CAROLINA
of Commission Rules 103-331 and 103-336	)	
	)	COVER SHEET
	)	
	)	
	)	DOCKET
	)	NUMBER: <u>2009</u> - <u>168</u> - <u>E</u>
	)	
	)	
	)	

(Please type or print)

Submitted by:	K. Chad Burgess	SC Bar Number:	69456
Address:	SCANA Corp.	Telephone:	803-217-8141
	220 Operation Way MC C222	Fax:	803-217-7931
	Cayce, SC 29033-3701	Other:	
		Email:	chad.burgess@scana.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ **Emergency Relief demanded in petition**   ☐ **Request for item to be placed on Commission's Agenda expeditiously**

☐ **Other:** _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
☒ Electric	☐ Affidavit	☒ Letter	☐ Request
☐ Electric/Gas	☐ Agreement	☐ Memorandum	☐ Request for Certification
☐ Electric/Telecommunications	☐ Answer	☐ Motion	☐ Request for Investigation
☐ Electric/Water	☐ Appellate Review	☐ Objection	☐ Resale Agreement
☐ Electric/Water/Telecom.	☐ Application	☐ Petition	☐ Resale Amendment
☐ Electric/Water/Sewer	☐ Brief	☐ Petition for Reconsideration	☐ Reservation Letter
☐ Gas	☐ Certificate	☐ Petition for Rulemaking	☐ Response
☐ Railroad	☐ Comments	☐ Petition for Rule to Show Cause	☐ Response to Discovery
☐ Sewer	☐ Complaint	☐ Petition to Intervene	☐ Return to Petition
☐ Telecommunications	☐ Consent Order	☐ Petition to Intervene Out of Time	☐ Stipulation
☐ Transportation	☐ Discovery	☐ Prefiled Testimony	☐ Subpoena
☐ Water	☐ Exhibit	☐ Promotion	☐ Tariff
☐ Water/Sewer	☐ Expedited Consideration	☐ Proposed Order	☐ Other:
☐ Administrative Matter	☐ Interconnection Agreement	☐ Protest	
☐ Other:	☐ Interconnection Amendment	☐ Publisher's Affidavit	
	☐ Late-Filed Exhibit	☐ Report	

K. Chad Burgess
Assistant General Counsel

chad.burgess@scana.com

December 4, 2009

VIA ELECTRONIC FILING

The Honorable Charles Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Drive (29210)
Post Office Drawer 11649
Columbia, South Carolina 29211

> RE: Progress Energy Carolinas, Inc.'s Motion for Partial Waiver of Commission Rules
> 103-331 and 103-336
> Docket No. 2009-168-E

Dear Mr. Terreni:

In accordance with Order No. 2009-770 ("Order") issued by the Public Service Commission of South Carolina in the above-referenced docket, South Carolina Electric & Gas Company ("SCE&G") submits for filing a copy of its internal credit risk rating criteria.

By copy of this letter and pursuant to the Order, SCE&G is also providing to counsel for the South Carolina Office of Regulatory Staff a copy of its internal credit risk rating criteria.

If you have any questions, please advise.

Very truly yours,

K. Chad Burgess

KCB/kms
Enclosure

cc: Len S. Anthony, Esquire
Catherine E. Heigel, Esquire
M. John Bowen, Jr. Esquire
Margaret M. Fox, Esquire
Shealy Boland Reibold, Esquire
       (all via U.S. First Class Mail w/enclosure)

SCE&G Internal Credit Risk Ratings Matrix With Bad Debt Reserve % Recommendations

SCE&G Rating	Definitions	Recommended Bad Debt Reserve %	Agency Default Probabilities 1 to 5 years	Moody's Credit Ratings (or equivalent)	S&P Credit Ratings (or equivalent)
1	Highest Quality Smallest Risk Increased Exposure Acceptable	0%	<.6%	Aaa to Aa3	AAA to AA-
2 + -	Good Quality Low Risk Increased Exposure Acceptable	0%	<1.3%	A1 to A3	A+ to A-
3 + -	Good to Average Quality Satisfactory Risk Increased Exposure Acceptable	1%	<3.3%	Baa1 to Baa3	BBB+ to BBB-
4 + -	Average to Below Average Quality Moderate to High Risk Increased Exposures should be discussed	3%	<7.5%	Ba1 to Ba3	BB+ to BB-
5 + -	Poor Quality High Risk/Watchlist Accounts Exposure should be secured or prepaid	5% 10% 25%	<25%	B1 to Caa3	B+ to CCC-
6 + -	Default and/or Loss likely or has occurred Unsatisfactory Risk/Watchlist Accounts Exit Strategy	50% 75% 100%	>25%	Ca or lower	CC or lower
Accounts Receivable > 60 Days Past Due (regardless of SCE&G Internal Risk Rating)		50%-100%			
Accounts Receivable > 90 Days Past Due and Bankrupt (pre-petition) (regardless of SCE&G Internal Risk Rating)		75%-100%			
Other management and/or RMC Credit Sub-Committee specifically-identified Accounts Receivable (regardless of SCE&G Internal Risk Rating)		**Loss Reserve accounts will be reviewed by RMC Credit Sub-Committee**			

(SCE&G ratings 2 through 6 may be modified by a + or - which indicates the higher or lower part of the rating, respectively)